


Suzanne Henderson  
**OIL AND GAS LEASE**

This Agreement (this "Lease") is made this 31st day of March, 2008, between **SOWELL DEVELOPMENT COMPANY I, L.P.**, a Texas limited partnership whose address is 1601 Elm Street, Suite 300, Dallas, Texas 75201 ("Lessor"), and **CARRIZO OIL AND GAS, INC.**, a Texas corporation ("Lessee") whose address is P.O. Box 122869, Fort Worth, TX 76121.

1. Lessor, in consideration of Ten Dollars (\$10.00), the royalties herein provided, the agreements of Lessee herein contained, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, does hereby **Grant, Lease and Let** exclusively unto Lessee, for the purpose of investigating, exploring and drilling for and producing oil, gas and associated hydrocarbons, conducting exploration, geologic and geophysical surveys by vibrioses and weight drop seismograph, injecting gas, water and other fluids and air into subsurface strata for development purposes, laying pipe lines, building roads, tanks and other structures relating to operations thereon to produce, save, take care of, treat, transport and own said products, the following described land in Tarrant County, Texas (the "Leased Premises"):

Approximately 29.7 acres, more or less, and being Block 2 and Block 5, POST OAK VILLAGE, an addition to the City of Fort Worth, Tarrant County, Texas, according to the plat recorded in Volume 388-145, Page 47, Plat Records of Tarrant County, Texas (the "Property"),

This Oil & Gas Lease is limited to depths from the surface to the base of the Barnett Shale formation.

2. **Primary Term.** This is a paid-up lease and subject to the other provisions herein contained, this Lease shall be for a term of thirty (30) months from this date (called the "primary term") and as long thereafter as oil, gas and associated hydrocarbons are produced in paying quantities from said land or lands with which said land is pooled hereunder. For purposes of this Lease, a well is "producing in paying quantities" or "producing" as the terms are defined by the statutes of the State of Texas and Texas case law.

3. **Information.** Within one hundred and twenty (120) days after drilling has been completed on any well on the Leased Premises (whether or not such well is a dry hole, shut in, or completed), Lessee shall furnish to Lessor a complete set of drilling logs for such well, but not more than one time in a twelve month period. Lessee's failure to comply with the provisions of this paragraph shall be deemed to be a default by Lessee, which, if not cured within thirty (30) days after delivery of written notice to Lessee, shall entitle Lessor to terminate this Lease. In addition to the foregoing, Lessee shall, when specifically requested by Lessor, furnish Lessor with (i) copies of all title opinions covering the Leased Premises (ii) copies of all railroad commission reports and severance tax reports filed by Lessee in connection with Leased Premises, (iii) copies of all agreements relating to the sale of oil and/or gas produced from the Leased Premises or lands pooled therewith, including production data, run tickets, meter charts, chart integrations and other information relating to production from the Leased Premises, (iv) surveys or tests conducted in wells drilled on the Leased Premises or on lands pooled therewith. Such data shall be furnished to Lessor within thirty (30) days of Lessee's receipt of a written request for such information; provided, however, Lessee shall not be required to provide Lessor with any production or reserve estimates or projections or interpretive geological data.

4. **Royalties.** The royalties to be paid by Lessee are described as follows:

(a) **Oil.** On oil, to deliver free of cost to Lessor at the wells or to the credit of Lessor at the pipeline to which the wells may be connected, one-fourth (1/4th) of all oil and other liquid hydrocarbons (recovered or separated on the Leased Premises or lands pooled therewith) produced and saved from the Leased Premises or lands pooled therewith; or, at the Lessor's option, which may be exercised from time to time, Lessee shall pay to Lessor one-fourth (1/4th) of the market value for such oil and other liquid hydrocarbons of like grade and gravity prevailing in the general area of the Leased Premises on the day such oil and other hydrocarbons are run from the lease stock tanks in the field.

(b) **Gas.**

(i) On gas produced from the Leased Premises or lands pooled therewith which is processed in a processing plant in which Lessee or any Affiliate (defined below) of Lessee has a direct interest, Lessor shall receive one-fourth (1/4th) of the gross proceeds of all processed liquids saved from said gas at the plant, plus one-fourth (1/4th) of the gross proceeds of all residue gas at the point of sale, use or other disposition.

(ii) On gas produced from the Leased Premises or lands pooled therewith, which is processed in facilities other than a processing plant in which Lessee or any Affiliate of Lessee has a direct market interest, Lessor shall receive one-fourth (1/4th) of the proceeds received by Lessee at the plant of all processed liquids credited to the account of Lessee and

attributable to such gas, plus one-fourth (1/4th) of the proceeds received by Lessee of all residue gas at the point of sale, use or other disposition.

(iii) On all gas produced from the Leased Premises and sold by Lessee or used off the Leased Premises, but not including gas re-injected under a pressure maintenance program, and to which the preceding sub-sections (i) and (ii) above do not apply, Lessor shall receive one-fourth (1/4th) of the proceeds received by Lessee at the point of sale, use or other disposition of all such gas.

(iv) On any gas paid for but not taken pursuant to a gas contract containing a take-or-pay clause or similar provision, Lessor shall receive its proportionate share of such payment (or any payment, judgment or similar award paid in connection with a take-or-pay clause or similar provision); provided, however, if such gas (previously paid for) is subsequently taken, Lessor shall only receive its proportionate share of any payments made for make-up gas taken pursuant to such take-or-pay clause or similar provision.

(b) Market Value/Proceeds. The market value of all gas shall be determined at the specified location and by reference to the gross heating value (measured in British thermal units) and quality of the gas. The market value used in the calculation of all royalty under this Lease shall never be less than the total proceeds received by Lessee in connection with the sale, use or other disposition of oil or gas produced or sold from the Leased Premises or lands pooled therewith. If Lessee receives from a purchaser of oil or gas any reimbursement for all or any part of severance or production taxes, Lessor shall receive its proportionate part thereof.

(c) Gas Contract/Market Value. If the gas produced from the Leased Premises or lands pooled therewith is sold by Lessee pursuant to an arms-length contract with a purchaser who is not an Affiliate of Lessee, and the contract provides for (i) net proceeds to be paid to Lessee which equal or exceed the market value of the gas at the point of delivery to such purchaser at the time such contract is entered into, and (ii) either redetermination of the prices at intervals no less frequently than annually or a price term which is based on a percentage of a published price in common use in the industry in the area, then for the purposes of the Oil and Gas Lease the "market value" of the gas sold pursuant to such a contract shall be the total proceeds received by Lessee in such sale. Lessee agrees that it shall exercise reasonable care in connection with its negotiation and execution of gas contracts. For purposes of this Lease, (i) an "Affiliate" of an entity or a person is an entity or person that controls, is controlled by or is under common control with the other entity, (ii) an officer, director or greater than 5% shareholder of a corporation, and the corporation are Affiliates, (iii) a partner and the partnership are Affiliates, (iv) an officer, manager, or member of a limited liability company and the limited liability company are Affiliates, and (v) persons within the third degree of affinity or consanguinity are Affiliates.

(d) Additional Consideration. Any money, proceeds or other consideration received by Lessee, or an Affiliate of Lessee, under or with respect to any agreement for the sale, use or other disposition of oil or gas production from or attributable to the Leased Premises or lands pooled therewith in the nature of (i) a bonus, dedication fee, or premium or any amount above or in addition to any market or indexed price or value, (ii) a prepayment for deliveries of such production to be made at a future date (or for deliveries of such production with the purchaser thereof may request at a future date), including, without limitation, any "advance payments" or "take-or-pay payments," (iii) a payment to modify the price or any other terms of a contract, or to terminate or rescind such contract or delay performance thereunder, or (iv) any and all other sums or other consideration paid or to be paid to compromise claims in respect to such agreement for the sale, use or disposition of oil or gas production from or attributable to the Leased Premises or lands pooled therewith, shall be deemed proceeds from the Leased Premises or lands pooled therewith when received by Lessee and royalty thereon under this Lease shall be due and owing as if such production were produced and sold, used, or otherwise disposed of; provided, that all royalty amounts paid in respect of such payments shall be credited against and deducted from the royalty amounts due when and if production from the Leased Premises or lands pooled therewith in respect of which such payments were received is delivered by Lessee to the purchaser thereof. Lessor's royalty and payments to Lessor for Lessor's royalty for any such additional consideration shall always be subject to and shall bear, all of its proportionate share of any and all state, federal, production and severance taxes, if any.

(e) Taxes and Deductions. Royalty payments hereunder shall be free of all pre-production, production and post production charges, costs and expenses other than all ad valorem or property taxes assessed with respect to such royalty and all production, severance and similar taxes assessed with respect to the royalty share of production hereunder, or the value thereof. Lessee agrees that all royalties shall be paid without deduction for the cost of producing, gathering, storing, separating, treating, dehydrating, compressing, processing, transporting, or otherwise marketing the oil, gas, and other products produced hereunder to transform the product into marketable form.

However, any such costs incurred on an unaffiliated interstate or intrastate gas pipeline which result in enhancing the value of the marketable oil, gas or other products to receive a better price may be proportionately deducted from Lessor's share of production, so long as they are based on Lessee's actual cost of such enhancements and do not exceed the actual value of such enhancements or the price that would be paid under similar circumstances in an arms-length transaction between unaffiliated parties.

(f) **Due Date for Royalty Payments.** Initial royalty payment to Lessor shall be made within 120 days of date of first production. Thereafter, Lessee shall, on or before the last day of each month after the production occurred, pay to Lessor in the manner specified in this Lease all royalties due to Lessor under this Lease for any oil, gas, or other substances produced and removed or sold from the land during the previous month. Provided, however, that if the amount of royalties due for any month to any party is less than \$25, payment of this amount to this party may be withheld until it equals \$25 or until the end of the calendar year in which the royalty became due.

5. **Payment of Royalties.** Lessor and Lessee agree that any suit concerning the payment or non-payment of royalties payable under this Lease shall be brought in Tarrant County, Texas. Lessor and Lessee agree that venue in a suit concerning the payment or non-payment of royalty shall be proper in Tarrant County, Texas and Lessor and Lessee agree not to contest this venue.

6. **Shut-in Royalties.** If, at the expiration of the primary term or at any time thereafter, there is any well on the Leased Premises or on lands with which the Leased Premises or any portion thereof has been pooled, completed and capable of producing gas in paying quantities, but the production thereof is shut-in, shut-down, or suspended for lack of a market, available pipeline, mechanical difficulties or because of government restrictions or, if it is economically inadvisable for both the Lessor and Lessee to sell gas for a time as evidenced by a written agreement signed by both parties, then, and in any such event, this Lease shall nevertheless continue in force for one (1) year as though such well was producing, if within ninety (90) days from the date the well is shut-in Lessee gives to Lessor a Shut-In Notice (hereafter defined). The Shut-In Notice shall be in writing, shall specify the dates of the 1-year shut-in period, shall explain the reason for Lessee's decision to shut in the well(s), and shall include a shut-in royalty payment equal to Fifty Dollars (\$50.00) per acre of land covered by this Lease. If such well is not returned to production on or before the expiration of such 1-year shut-in period, this Lease shall nevertheless continue in force for an additional one (1) year if on or before the expiration of the prior 1-year shut-in period the Lessee gives Lessor a subsequent Shut-in Notice, including an additional shut-in royalty payment. No acreage within the Leased Premises shall be maintained by payment of shut-in royalties for more than two (2) consecutive 1-year periods, or more than 3 years in the aggregate. Either (a) failure to timely give a Shut-In Notice accompanied by the shut-in royalty payment, or (b) shut-in of any well(s) for any amount of time in excess of the amount allowed hereunder shall effect an automatic termination of this Lease.

7. **Retained Acreage.** At the expiration of the primary term or upon failure to maintain continuous development operations described in paragraph 8 below, this Lease shall automatically expire as to all of the Leased Premises except for the minimum number of acres prescribed by the Railroad Commission of Texas to permit the allocation to such tract and the well thereon of the maximum allowable quantum of production. Lessee must, within 90 days after the expiration of the primary term (or, if applicable, after failure to maintain continuous development operations as described in paragraph 8 below), designate in writing and record with the County Clerk in Tarrant County, Texas, a legal description of that portion of the Leased Premises allotted to each such well. Lessee shall provide Lessor with a copy of its proposed designation prior to filing for review and comment by Lessor. Lessee shall provide Lessor with a copy of the filed designation. If Lessee fails to record such designation within such time, then Lessor may give written notice thereof to Lessee, and if Lessee does not file such designation within sixty (60) days after receipt of such notice, then Lessor may file such a designation, and when filed, such designation shall be binding on Lessee. Also, as to each such proration unit or pooled unit held at the expiration of the primary term (or, if applicable, upon failure to maintain continuous development operations as defined below), this Lease shall nevertheless terminate as to all depths below 100 feet beneath the base of the deepest formation actually producing in the well located on such proration unit or pooled unit, and upon request by Lessor, Lessee will confirm said termination in writing and in recordable form.

8. **Continuous Development.** At the expiration of the primary term, as to any portion of the Leased Premises that would be released pursuant to the provisions of Paragraph 7 above, such portion shall not be automatically released if (a) Lessee is then engaged in operations for the drilling of an oil or gas well on such portion of the Leased Premises, and (b) Lessee gives Lessor written notice of such operations designating the specific location of such operations. If Lessee has completed, prior to the end of the primary term of this Lease, operations for the drilling of a well on the Leased Premises or lands pooled or unitized therewith, or if Lessee has completed, within 90 days after the end of the primary term of this lease, a well on the Leased Premises or lands pooled or unitized therewith in which operations for drilling or reworking were, on the expiration of the primary term hereof, being conducted and were thereafter diligently prosecuted,, then this Lease shall continue in full force and effect so long as Lessee diligently prosecutes continuous drilling

operations with no more than 90 days between the completion of one well as a producer or dry hole and the commencement of the actual drilling of a subsequent well. After the expiration of the primary term, either failure to prosecute the continuous development program, or a cessation of drilling operations for more than ninety (90) consecutive days, shall automatically terminate this Lease as to all of the Leased Premises except the acreage and depths designated above held by any well(s) producing in paying quantities.

9. **Offset Wells.** If a well capable of producing oil, gas or associated hydrocarbons in paying quantities is completed within 500 feet of the lease line of the Leased Premises or is draining the Leased Premises, within six months thereafter, Lessee must either (i) commence the drilling of an offset well on the Leased Premises as would a reasonably prudent operator under similar circumstances or (ii) release this Lease as to the contiguous acreage subject to the drainage that is not included within a producing unit.

10. **Separate Lease/Cessation of Production.** After the expiration of the primary term (or if applicable the failure to maintain continuous development operations as described in paragraph 8 hereof), the acreage allotted to each producing well pursuant to paragraph 7 hereof shall be considered as if covered by a separate lease containing the same terms and provisions as stated herein, so that thereafter, each separate lease shall be kept in force and effect only by actual production from, or operations upon, that particular tract without regard to production or drilling operations upon other tracts retained by Lessee under the terms hereof. If, after the expiration of the primary term (or if applicable the failure to maintain continuous development operations as described in paragraph 8 hereof), any well producing oil, gas or associated hydrocarbons in paying quantities ceases such production, this Lease shall terminate as to the acreage held by such well unless (a) Lessee gives prompt written notice to Lessor of the cessation of such production in paying quantities (i.e., within 30 days after such production ceases) and its intent to re-establish production; and (b) within ninety (90) days of such cessation of production, Lessee commences operations to re-establish production in paying quantities from such well. This Lease shall be maintained as to such acreage for another 90 consecutive days after Lessee commences such operations to re-establish production, or, if production in paying quantities is re-established within the first or second 90-day period, as long thereafter as oil, gas and associated hydrocarbons are produced in paying quantities from such well.

11. **Other Minerals.** This Lease shall be limited to oil, gas and other associated hydrocarbons and sulphur produced through the well bore with oil and gas. All references in this Lease to other minerals are hereby deleted.

12. **Warranty.** This Lease is granted without warranty, express or implied, in law or in equity; provided that, Lessee, at its option, may discharge any tax, mortgage or other lien upon said land, either in whole or in part, and in the event Lessee does so, it shall be subrogated to any such lien with right to enforce same and apply rentals and royalties accruing hereunder towards satisfying the same. If this Lease covers less than one hundred percent (100%) of the interest in oil, gas and associated hydrocarbons, all monies accruing hereunder to Lessor shall be paid in proportion to the interest covered by this Lease.

13. **Indemnity.** Lessee shall indemnify and hold harmless Lessor and the owners of the surface of the Leased Premises, their heirs, executors, administrators, trustees, successors and assigns from and against any and all claims, losses, damages, causes of action, suits and liability of every kind, including all expenses of litigation, court costs and reasonable attorney's fees, for injury to, or death of, any person, or from damage to any property arising out of, or in connection with, Lessee's use and occupancy of the Leased Premises and Lessee's operations under this Lease, or the exercise of any right or privilege under this Lease.

14. **Assignment.** It is expressly understood and agreed by and between Lessor and Lessee that Lessee may not, and shall not, without the prior written consent of Lessor, which shall not be unreasonably withheld, assign, transfer, or convey this Lease in whole or in part, or Lessee's interest in and under this Lease or in the oil and/or gas in the land or produced from the land under this Lease, other than to affiliates of Lessee. Notwithstanding the foregoing sentence, Lessee may make assignments to working interest owners who have no control over operations, provided that such assignments shall not relieve the Lessee of any liability for the performance of its obligations hereunder. In the event of such permitted assignment, all of the covenants, obligations, and considerations of this agreement and Lease shall extend to and be binding on Lessor and Lessee, respectively, and on the heirs, devisees, legatees, executors, administrators, successors, assigns, and successive assigns, of each and all of them. No change in the division or ownership of the land, rentals, or royalties, however accomplished, shall operate to enlarge the obligations or diminish the rights of Lessee; and no change or division in such ownership shall be binding on Lessee until thirty (30) days after Lessee shall have been furnished by registered U.S. Mail at Lessee's principal place of business with a certified copy of the recorded instrument or instruments evidencing such change of ownership. Similarly, no assignment of this Lease (including working interest assignments), in whole or in part, shall be binding on Lessor until thirty (30) days after Lessor shall have been furnished by registered U.S. Mail at Lessor's principal place of business with a certified copy of the recorded instrument or instruments evidencing such assignment.

15. **Pooling.** Lessee shall have the right but not the obligation to pool all, but not less than all, of the Leased Premises into a pooled unit, or interest therein, with any other lands or interests, as to any or all

depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not similar pooling authority exists with respect to such other lands or interests. A unit for an oil well that is not a horizontal completion shall not exceed 40 acres plus a maximum acreage tolerance of 10%. The unit created for operations in or production from a horizontal drainhole (as such a well is classified pursuant to Rule 3.86 of Title 16, Part 1, Chapter 3, of the Texas Administrative Code) shall not exceed the minimum number of acres prescribed by such Rule 3.86 to permit the allocation to such well and unit of the maximum allowable quantum of production. For the purpose of the foregoing, the terms "oil well" and "gas well" shall have the meanings prescribed by applicable law or the appropriate governmental authority, or, if no definition is so prescribed, "oil well" means a well with an initial gas-oil ratio of less than 100,000 cubic feet per barrel and "gas well" means a well with an initial gas-oil ratio of 100,000 cubic feet or more per barrel, based on 24-hour production test conducted under normal producing conditions using standard lease separator facilities or equivalent testing equipment; and the term "horizontal completion" means a well in which the horizontal component of the gross completion interval in the reservoir exceeds the vertical component thereof. To exercise its pooling rights hereunder, Lessee shall file of record, in the county in which the Leased Premises are situated, a written declaration describing the unit and stating the effective date of pooling, which declaration must contain the acknowledged consent of Lessor thereto. Production, drilling or reworking operations anywhere on a unit that includes all or any part of the Leased Premises shall be treated as if it were production, drilling or reworking operations on that portion of the Leased Premises included within the unit, except that the production on which Lessor's royalty is calculated shall be that proportion of the total unit production which the net acreage covered by this lease and included in the unit bears to the total gross acreage in the unit, but only to the extent such proportion of unit production is sold by Lessee. Pooling in one or more instances shall not exhaust Lessee's pooling rights hereunder, and Lessee shall have the recurring right but not the obligation to revise any unit formed hereunder by expansion or contraction or both, either before or after commencement of production, in order to conform to the well spacing or density pattern prescribed or permitted by the governmental authority having jurisdiction, or to conform to any productive acreage determination made by such governmental authority. In making such a revision, Lessee shall file of record a written declaration describing the revised unit and stating the effective date of revision. To the extent any portion of the leased premises is included in or excluded from the unit by virtue of such revision, the proportion of unit production on which royalties are payable hereunder shall thereafter be adjusted accordingly. In the absence of production in paying quantities from a unit, or upon permanent cessation thereof, Lessee may terminate the unit by filing of record a written declaration describing the unit and stating the date of termination. In the event of a permitted partial pooling of the Leased Premises, drilling or reworking operations on or production from a unit that includes only a portion of the Leased Premises shall not perpetuate this Lease as to the portion of the Leased Premises not included within such unit, and this Lease may be perpetuated as to such lands pursuant only to the other provisions hereof.

16. **Surface Rights.** Lessee does hereby expressly release, waive, relinquish and surrender forever, on behalf of itself and its successors and assigns, all rights to use the surface estate of the Leased Premises, including without limitation, the right to enter upon the surface of said Leased Premises for purposes of exploring for, developing, drilling, producing, treating, storing or transporting oil, gas or other minerals, or for any other purpose incident thereto. Any horizontal drainhole under the Leased Premises must be at least 1,000 feet below the surface.

17. **Water.** Lessee shall not have the right to use water obtained from the Leased Premises for any purpose, including, without limitation, drilling operations, completion operations, fracture stimulating operations, re-pressuring or water flood secondary recovery operations.

18. **No Salt Water or Waste Injection Wells.** Lessee shall not have the right to dispose of water in or on the Leased Premises, regardless of whether such water is produced or obtained from the Leased Premises or from any acreage outside of the Leased Premises, whether or not such acreage is pooled with the Leased Premises.

19. **Interference.** Should Lessee be prevented from complying with any express or implied covenant of this Lease, from conducting drilling or reworking operations thereon, or from producing any oil, gas or associated hydrocarbons therefrom, by operation of force majeure and federal or state law, or any order, rule or regulation of governmental authority, then while so prevented, Lessee's obligation to comply with such covenant shall be suspended, and Lessee shall not be liable in damages for failure to comply therewith; and this Lease shall be extended while and so long as Lessee is prevented by any such cause from conducting drilling or reworking operations on or from producing oil or gas from the Leased Premises; and the time while Lessee is so prevented shall not be counted against Lessee, anything in this Lease to the contrary notwithstanding.

21. **Notice.** Any notice to be given or to be served upon any party hereto in connection with this Lease must be in writing, and may be given by certified or registered mail and shall be deemed to have been given and received 24 hours after a certified or registered letter containing such notice, properly addressed, with postage prepaid, is deposited in the United States mail; and if given otherwise than by certified or registered mail, it shall be deemed to have been given when delivered to and actually received by the party to whom it is addressed. Such

notices shall be given to the parties hereto at the addresses set forth in this Lease, except that any party hereto may, at any time by giving 10 days' written notice to the other party hereto, designate any other address in substitution of the foregoing address to which such notice shall be given.

22. **Consideration.** A portion of the consideration mentioned in Paragraph 1 is for the execution of this Lease and shall not be allocated as a mere rental for a period. Lessee may at any time execute and deliver to Lessor or place of record, a release covering any portion or portions of the Leased Premises and thereby surrender this Lease as to that portion or portions and be relieved of all obligations as to the acreage surrendered, and thereafter the shut-in royalties payable under this Lease shall be reduced in the proportion that the acreage covered by this Lease is reduced by the release or releases.

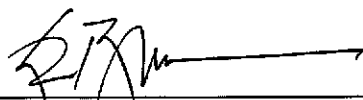
23. **Wells Drilled to the Barnett Shale.** All wells drilled from the Leased Premises, or lands pooled therewith, and completed in the Barnett Shale formation, shall be drilled with a horizontal drainhole (as defined in Texas Railroad Commission, Oil and Gas Division, Rule 86) with a horizontal drainhole displacement (as defined in Texas Railroad Commission, Oil and Gas Division, Rule 86) of not less than one thousand feet.

24. **Encumbrances.** This Lease is given and accepted subject and subordinate to any and all restrictions, covenants, conditions, easements, building lines, encumbrances, reservations, zoning laws, regulations, and other matters, including, but not limited to, minerals previously reserved or conveyed, if any, relating to the Leased Premises, but only to the extent that they are still in effect and shown of record.

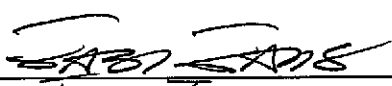
EXECUTED the 31st day of March, 2008, but EFFECTIVE as of the date shown above.

**LESSOR:** **SOWELL DEVELOPMENT COMPANY I, L.P.**, a Texas limited partnership

By: **SOWELL DEVELOPMENT COMPANY, INC.**, a Texas corporation, its general partner

By:   
Stephen L. Brown  
Executive Vice President

**LESSEE:** **CARRIZO OIL AND GAS, INC.**, a Texas corporation

By:   
Name: Jason Jones  
Title: Representative

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**ACKNOWLEDGEMENTS**

STATE OF TEXAS           §  
                                     §  
COUNTY OF DALLAS     §

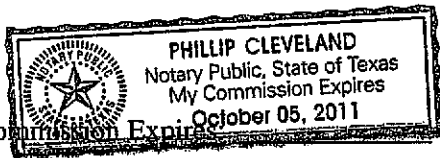
This instrument was acknowledged before me on the 31<sup>st</sup> day of March, 2008, by Stephen L. Brown, Executive Vice President of Sowell Development Company, Inc., a Texas corporation, in its capacity as general partner of SOWELL DEVELOPMENT COMPANY I, L.P., a Texas limited partnership, on behalf of said corporation and partnership.



Carrie Pena  
NOTARY PUBLIC in and for the State of Texas

STATE OF TEXAS           §  
                                     §  
COUNTY OF TARRANT   §

This instrument was acknowledged before me on this 17<sup>th</sup> day of March, 2008, by JASON JAMES, as REPRESENTATIVE of CARRIZO OIL AND GAS, INC. on behalf of said corporation.



My Commission Expires

Phillip Cleveland  
NOTARY PUBLIC in and for the State of Texas